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Budget Report FY24/25

Northeast Florida Regional Airport

Highlighting the financial plan and resource allocation necessary to support the operational and developmental needs of the airport, ensuring efficient and sustainable service for the region.



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Letter from the Board Chair

To Residents of St. Johns County, Valued Tenants, and honorable Members of the Board:

I am pleased to present the annual budget for the St. Augustine-St. Johns County Airport for fiscal year 2024-2025. This budget reflects our commitment to maintaining and enhancing the operations, infrastructure, and services of the St. Augustine Airport, while insuring financial prudence and strategic growth.

This budget has been meticulously developed in alignment with our long-term strategic goals, focusing on operational efficiency, infrastructure development and sustainable growth. The Budget aims to support the ongoing initiatives to improve the aviation experience, encourage commercial airline service, and enhance airport security and safety measures, all while maintaining a healthy reserve balance to ensure financial stability and a contingency fund allocated for unforeseen expenses. It is designed to sustain the current operational excellence of the St. Augustine-St. Johns County Airport while preparing for future challenges and opportunities. As we look forward to the future, our strategic initiatives focus on expanding our service offerings, improving customer satisfaction and enhancing operational efficiency. We continue to strengthen and support our relationship with the local community through outreach and engagement programs, such as the Chamber of Commerce, High School Aerospace Academy and EAA Young Eagles to name a few. We offer scholarships and internships for aspiring aviation involved high school students and have an annual family fun day to offer airplane rides to youths under 18 years of age.

I would like to express my sincere gratitude to the Board members, airport staff and stakeholders who have contributed to the development of this budget. Your dedication and hard work are invaluable as we strive to make St. Augustine Airport a leading regional transportation hub. Together we will ensure that the St. Augustine-St. Johns County Airport continues to thrive and meet the needs of our community and tenants.

Thank you for your continued support.

Reba Ludlow
Chairman of the Board
St. Augustine-St. Johns County
Airport Authority

Our Background



Airport History

In the late 1800s, St. Augustine was the home of balloon and glider experiments. By 1911, aviation was continued with activities that included a Curtiss biplane for stunt flying and airplane vs speed boat racing (the airplane won). The first flight school was established in 1916. St. Augustine Airport began as a private airport in the 1920s. In 1933, the St. Augustine City Commissioners voted to convert to a public airport and purchased 276 acres. World War I and II saw the airport repurposed for military use, but it declined post-war, leading to its closure by 1950. Revived in the mid-1950s by Fairchild Engine and Airplane Company, it spurred economic development. The 1960s brought management under a newly formed Airport Authority and continued growth. The Authority oversaw further development, modernizing facilities and attracting corporate aviation, including the PGA Tour's Westwind. By the 1990s, the airport boasted over 200 based aircraft and numerous improvements, positioning it as a vital component of St. Augustine's growth and infrastructure.

The Airport Today

Presently, the St. Augustine-St. Johns County Airport Authority oversees the operations of the airport. The property is 668 acres with three runways and three seaplane lanes. As of 2020, the airport is 93% general aviation and continues to have a military presence. Northeast Florida Regional Airport is the home to 228 aircraft and growing. The Florida Department of Transportation published the 2022 Florida Aviation Economic Impact Study identifying the airport as contributing \$1.4B to the economy of Northeast Florida. The study evaluated payroll dollars as money put into the economy from employees of the airport operations, industry cargo transport needs and military aviation as well as visitor spending. NFRA is included with Florida District 2 which totals \$23.9B combined economic impact.

***Contributing \$1.4B to the economy of Northeast Florida**



VISION, MISSION AND VALUES:

Our

Vision

Explore, connect and engage to inspire excellence.

Our

Mission

Own, operate and develop the Airport for the benefit of the aviation and public communities to support economic development and the quality of life in the Northeast Florida region.

Our

Values



Safety



Accountability



Our People

Our People

The St. Augustine - St. Johns County Airport Authority Board

As a special taxing district of St. Johns County, the Airport Authority is a five (5) member elected board.



Michelle Cash-Chapman

Group 1



Dennis Clarke

Group 2



Jennifer Liotta

Group 3



Robert Olson

Group 4



Reba Ludlow

Group 5



Community Engagement

We are dedicated to fostering a strong connection with our local community through various outreach and engagement initiatives, including some of the following partnerships:

Wings n' Wheels



Wings n' Wheels is a family event with more than 200 classic cars, trucks and motorcycles along with at least 20 aircraft. Co-sponsored by Chapter 600 of the Experimental Aircraft Association, SAAPA, NFAC, NFRA and Staker Productions Motor-sports and Car Events. The 2nd annual event was held June 15, 2024.

St. Johns County High School Academy of Aviation and Aerospace



Northeast Florida Regional Airport collaborates with St. Augustine High School's Academy of Aviation and Aerospace. Students may select the airport for an internship as well tour all aspects of the airport operations for a hands-on learning experience.

St. Johns County Chamber of Commerce



Northeast Florida Regional Airport is an active member of the St. Johns County Chamber of Commerce. The Chamber recognizes the airport for its vital role in supporting the local business environment through aviation and contributing to economic development efforts.

Young Eagles



Young Eagles Rally – St. Augustine
Oct 26 – 27, 2024

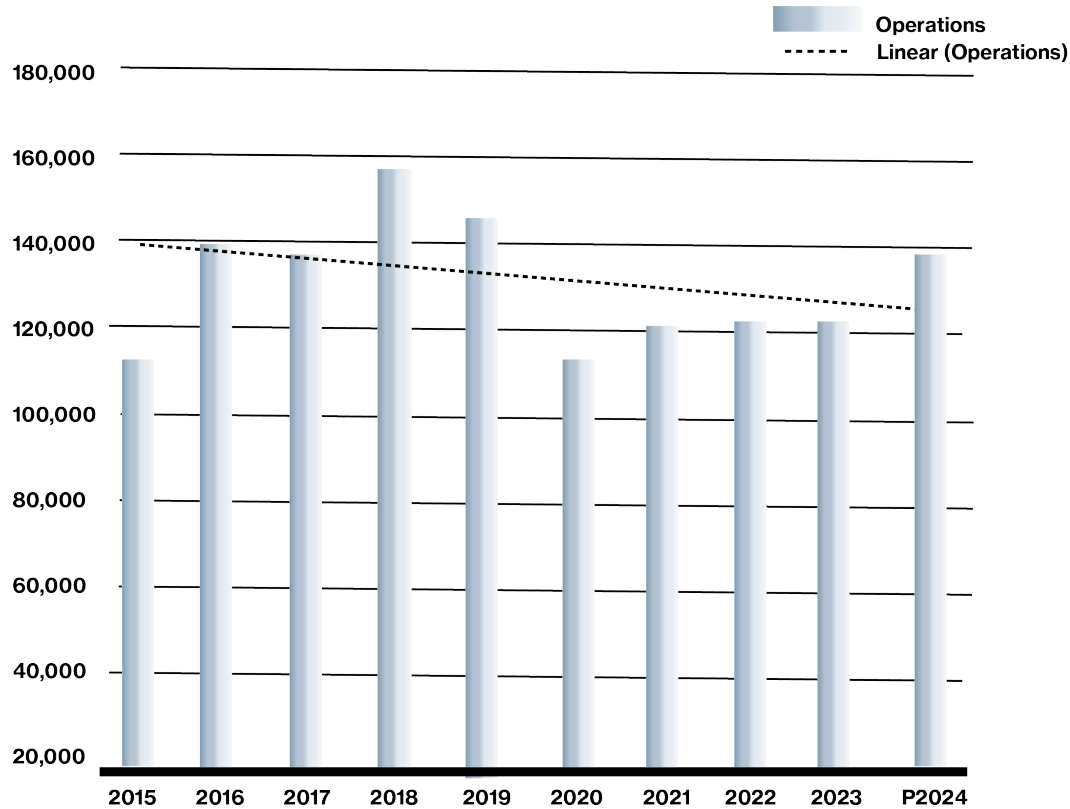
Young Eagles is a program developed by the Experimental Aircraft Association. The program is dedicated to youth ages 8-17 and offers a flying opportunity in a general aviation aircraft. EAA members volunteer their time to provide free flights to the youth and introduce and inspire youth in the world of aviation.



Operating Highlights

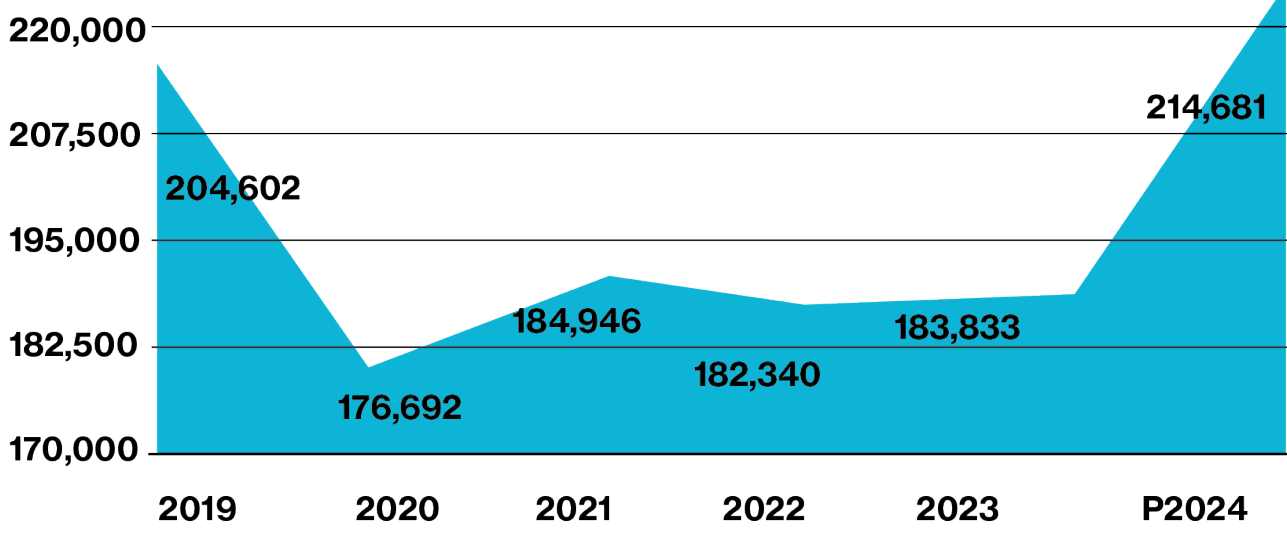
KSGJ Annual Operations

Air Traffic Activity – landings, take-offs, touch and gos, low/missed approaches and airspace transitions (overflights)

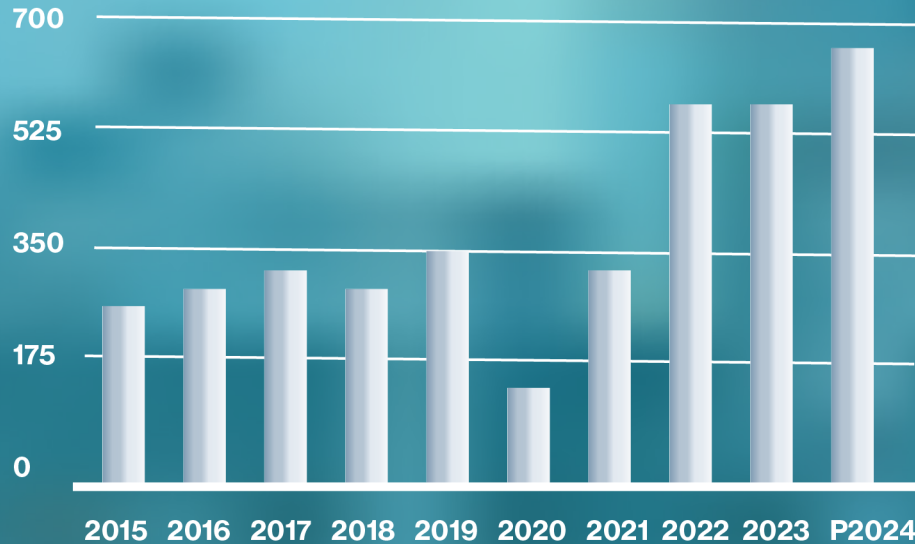


Fuel Sold

Fuel Sales - Gallons of Avgas sold directly by Authority each year

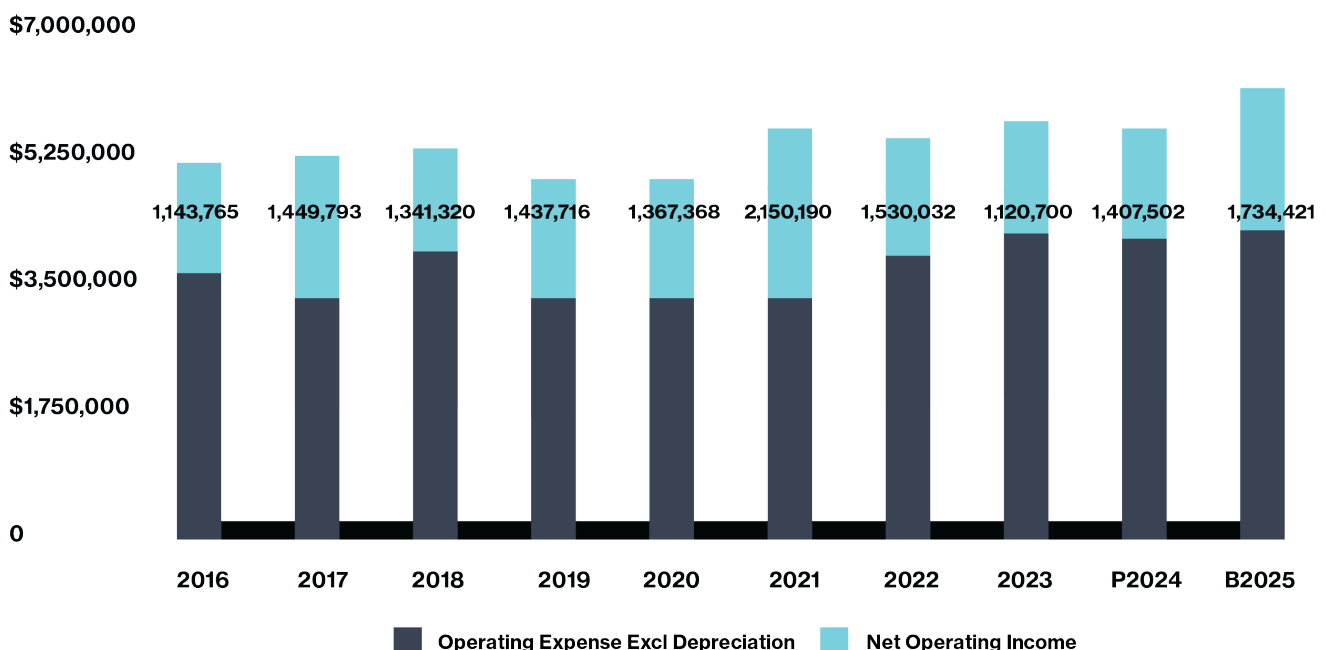


U.S. Customs Inspections



This chart represents all incoming aircraft that are required to undergo U.S. Customs clearance upon arrival at Northeast Florida Regional Airport. It provides a summary by year of the flights that have completed the customs process, highlighting the volume of international traffic handled by the airport.

Net Operating Income



Vendors on the Field



Flying Clubs:

Airport Utilization



151 T-Hangars/Box-Hangars/
L-Hangars



6 Commercial Hangars



3 Corporate Hangars



5 Ground Leases



1 Fixed-Base Operator



3 Office Tenants



1 Restaurant Tenant



**NORTHROP
GRUMMAN**

Strategic Initiatives

Looking

Ahead

The Airport Authority engaged Ricondo in 2023 to develop a strategic plan. Below are the key strategic initiatives and investment strategies that have been identified.

Strategic Initiatives:



Satisfy customer demand (hangars, services and infrastructure)



Maximize the Authority's financial position



Align administration roles with Authority and Airport needs



Effectively use Airport's footprint



Interact and engage with external organizations (stakeholders) for the benefit of all parties

Investment Strategies:



Investment Priority 1 - Meet short term customer demand

- Corporate hangars – 4-8 east of Runway 13-31
- T-hangars – 1 row – 8-12 hangars
- New FBO



Investment Priority 2 - Add non-aeronautical revenue sources

- Begin development of 10 acres along US 1 – industrial and business
- Develop a public engagement area

Proposed Budget

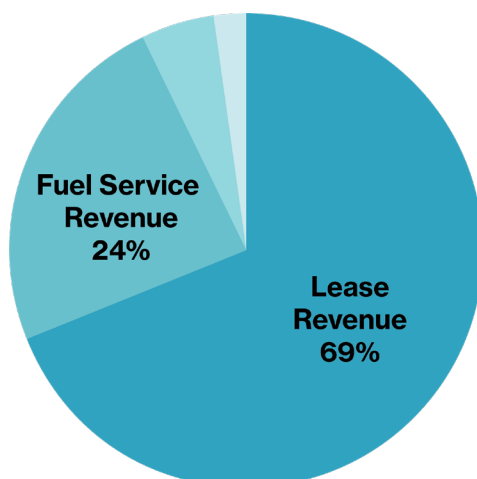
Projected FY23/24 vs Proposed Budget FY24/25 Operating Income

Category	Projected FY23/24	Proposed Budget FY24/25	Change from Prior Year	
TOTAL OPERATING REVENUES	\$5,758,192	\$6,050,981	\$292,790	5.1%
COST OF GOODS SOLD	\$889,285	\$932,250	\$42,966	4.8%
TOTAL OPERATING EXPENSES	\$3,461,405	\$3,384,310	(\$77,095)	-2.2%
OPERATING INCOME BEFORE DEPRECIATION	\$1,407,502	\$1,734,421	\$326,919	23.2%

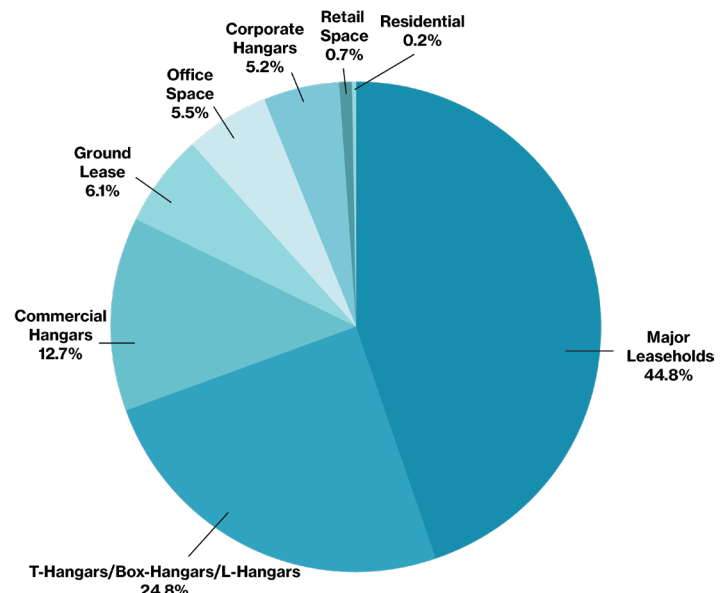
Revenue Sources

The airport earns sixty-nine percent (69%), \$4,260,921, of its non-grant revenue from lease revenue and twenty-four percent (24%), \$1,490,260, from from Avgas fuel sales and fuel flowage fees. Approximately 75% of the lease revenue is derived from major leaseholds, T-Hangars/Box Hangars/L-Hangars and Corporate Hangars. The next highest percentage is 13%, which comes from commercial hangar leases.

2025 Revenue Sources



2025 Lease Revenue Sources



Budget Detail

Proposed Budget FY24/25 Results: The proposed budget for FY24/25 produces operating revenue of \$6,050,981 and net operating income of \$1,734,421 (prior to depreciation and amortization expense) compared to a projected FY23/24 of \$1,407,502. In addition, budgeted investment earnings and other non-operating income increases the total budgeted FY24/25 net earnings excluding depreciation and amortization to \$1,887,776 versus a projected \$1,687,786 in FY23/24.

	Actual 06/2024 YTD	Projected FY23/24	Budgeted FY23/24	Proposed Budget FY24/25
OPERATING REVENUE				
Fuel Service Revenue	\$ 1,027,686	\$ 1,370,248	\$ 1,220,000	\$ 1,490,260
Lease Revenue	3,062,577	4,090,597	4,027,170	4,260,921
Operating Agreements	213,371	297,346	221,160	299,800
TOTAL OPERATING REVENUE	\$ 4,303,635	\$ 5,758,192	\$ 5,468,330	\$ 6,050,981
COST OF GOODS SOLD				
Avgas 100 LL Cost	\$ 666,964	\$ 889,285	\$ 756,000	\$ 932,250
TOTAL COST OF GOODS SOLD	\$ 666,964	\$ 889,285	\$ 756,000	\$ 932,250
OPERATING EXPENSE				
Personnel & Benefits	\$ 994,600	\$ 1,326,063	\$ 1,280,692	\$ 1,421,226
Payroll Processing Fees	7,650	10,200	-	10,200
Contract/Temp Labor	2,858	2,858	-	-
Professional Services	292,663	467,540	300,000	433,500
Airline Operations	1,169	1,169	-	-
Gifts, Meals & Entertainment	20,436	24,430	-	9,478
Travel and Per Diem	5,933	6,000	6,000	6,000
Technology	61,872	80,749	93,000	79,380
Utility Services	150,584	198,790	201,600	202,925
Equipment Leases	2,250	3,000	-	3,000
Insurance	297,389	396,519	453,504	382,163
Repairs & Maintenance	223,490	322,146	336,600	302,500
Outside Communications	31,510	35,528	3,000	7,400
Government Fees & Assessments	261,207	323,636	244,500	262,988
Other Fees & Assessments	35,294	46,762	33,480	46,600
Office Expense	21,906	28,035	12,600	25,850
Operating Expense	125,133	166,411	146,400	171,900
Publications & Memberships	10,565	11,000	15,000	11,000
Professional Development	10,508	10,508	12,000	8,200
Reconciliation Discrepancies	62	62	(1)	-
TOTAL OPERATING EXPENSE	\$ 2,557,081	\$ 3,461,405	\$ 3,138,375	\$ 3,384,310
Total Operating Income Before Depreciation Expense	\$ 1,079,590	\$ 1,407,502	\$ 1,573,955	\$ 1,734,421
Depreciation Expense	3,844,556	5,126,075	4,500,000	5,200,000
Net Operating Profit/(Loss)	\$ (2,764,966)	\$ (3,718,573)	\$ (2,926,045)	\$ (3,465,579)
Non-Operating Revenue/(Expense):				
Investment/Interest Income	\$ 167,303	\$ 216,687	\$ 1,800	\$ 118,900
Reimbursed Expense	23,654	31,538	30,000	31,600
Insurance Claim Payments	27,909	27,909	-	-
Other	3,164	3,740	600	2,855
TOTAL NON-OPERATING REVENUE/(EXPENSE)	\$ 222,030	\$ 279,874	\$ 32,400	\$ 153,355
Net Profit/(Loss) Before Grant Income	\$ (2,542,936)	\$ (3,438,699)	\$ (2,893,645)	\$ (3,312,224)
Grant Contributions				
Federal Grant Revenue	\$ 1,418,671	\$ 1,710,388	\$ 1,620,000	\$ 3,284,465
State Grant Revenue	141,277	2,029,598	4,104,562	2,643,949
Total Grant Contributions	\$ 1,559,948	\$ 3,739,986	\$ 5,724,562	\$ 5,928,414
Change in Net Position	\$ (982,988)	\$ 301,287	\$ 2,830,917	\$ 2,616,189

Capital Contributions from Grants

After receiving a projected \$3,739,486 in grant capital contributions in FY23/24, the total grant contributions in the proposed FY24/25 budget increases to \$5,928,414. The sources of the grant contributions in FY24/25 are the U.S. Department of Transportation Federal Aviation Administration (\$3,284,465) and the Florida Department of Transportation (\$2,643,949).

	FAA	FDOT	All Grants
	Total Projected FY 23/24	Total Projected FY 23/24	Total
Design & Construct New T-Hangars	\$ -	\$184,752	\$184,752
Purchase Airline Equipment	-	11,104	11,104
Install Security Fencing/Gate S1 Improvements	1,518,388	141,243	1,659,630
Replace & Upgrade Existing ATCT Communications Switch Equipment	192,000	-	192,000
Acquire Land for Hawkeye View Lane Realignment	-	1,692,000	1,692,000
Project Development & Environment Study for Proposed West Access Road to Airport	-	500	500
Total Grant-Related Revenue	\$1,170,388	\$2,029,598	\$3,739,986

Projected Cash Balances

The combined result of the proposed FY24/25 budget is an overall \$405,974 reduction of available cash. Beginning the year with a projected available cash balance of \$4,797,265, the FY24/25 budget results in a projected end-of-year cash balance of \$4,391,291. This includes the impact of the entity's expending \$2,293,750 in local funds to accomplish its budgeted capital projects versus generating cash through operations, investment earnings and other non-operating income of \$1,887,776.

	FY24/25	FY25/26	FY26/27	FY27/28
Projected Beginning Cash Balance	\$ 4,797,265	\$ 4,391,291	\$ 4,779,067	\$ 6,031,842
Cash Provided by Operating & Investing Activities	1,887,776	1,887,776	1,887,776	1,887,776
Local Funds Used for Capital Projects	(2,293,750)	(1,500,000)	(635,000)	(2,100,000)
Projected Ending Cash Balance	\$ 4,391,291	\$ 4,779,067	\$ 6,031,842	\$ 5,819,618

Capital Projects

The airport continues its construction project program into FY24/25. The proposed capital projects budget for FY24/25 totals \$8,222,164. In addition to total grant capital contributions of \$5,928,414, the proposed budget produces a local funds requirement of \$2,293,750 to fund the balance of the estimated project costs.

Capital Project	FY24/25				FY25/26			
	FAA	FDOT	Local Funds	Total	FAA	FDOT	Local Funds	Total
T-Hangar Improvements	\$1,459,465	\$1,068,949	\$1,900,000	\$4,428,414	\$0	\$0	\$0	\$0
Purchase Airline Equipment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Security Fencing	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Airport Gate S1 Improvements	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Acquire Land for Hawkeye View Lane Realignment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Acquire Land for Development	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Fuel Farm Improvements	\$0	\$450,000	\$112,500	\$562,500	\$0	\$0	\$0	\$0
Rehabilitate Contract Tower	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Small Community Air Service Development Program	\$700,000	\$0	\$0	\$700,000	\$0	\$0	\$0	\$0
Wetland Mitigation Credits	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Taxiway "F" Extension	\$1,125,000	\$100,000	\$25,000	\$1,250,000	\$0	\$0	\$0	\$0
Design & Construct Access Road US 1 to Conf Ctr	\$0	\$1,025,000	\$256,250	\$1,281,250	\$0	\$0	\$0	\$0
Design & Construct Realignment of Hawkeye View Ln	\$0	\$0	\$0	\$0	\$0	\$2,000,000	\$500,000	\$2,500,000
Design & Construct Hangar & Taxilanes	\$0	\$0	\$0	\$0	\$0	\$1,000,000	\$1,000,000	\$2,000,000
Design & Rehab Taxiway "F" & "G"	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Acquisition of Index B ARFF Vehicle	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Design & Construct ARFF Building	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total	\$3,284,465	\$2,643,949	\$2,293,750	\$8,222,164	\$0	\$3,000,000	\$1,500,000	\$4,500,000

Capital Project	FY26/27				FY27/28			
	FAA	FDOT	Local Funds	Total	FAA	FDOT	Local Funds	Total
T-Hangar Improvements	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Purchase Airline Equipment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Security Fencing	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Airport Gate S1 Improvements	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Acquire Land for Hawkeye View Lane Realignment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Acquire Land for Development	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Fuel Farm Improvements	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Rehabilitate Contract Tower	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Small Community Air Service Development Program	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Wetland Mitigation Credits	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Taxiway "F" Extension	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Design & Construct Access Road US 1 to Conf Ctr	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Design & Construct Realignment of Hawkeye View Ln	\$0	\$2,000,000	\$500,000	\$2,500,000	\$0	\$0	\$0	\$0
Design & Construct Hangar & Taxilanes	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Design & Rehab Taxiway "F" & "G"	\$180,000	\$10,000	\$10,000	\$200,000	\$1,800,000	\$100,000	\$100,000	\$2,000,000
Acquisition of Index B ARFF Vehicle	\$900,000	\$50,000	\$50,000	\$1,000,000	\$0	\$0	\$0	\$0
Design & Construct ARFF Building	\$1,667,000	\$75,000	\$75,000	\$1,817,000	\$0	\$2,000,000	\$2,000,000	\$4,000,000
Total	\$2,747,000	\$2,135,000	\$635,000	\$5,517,000	\$1,800,000	\$2,100,000	\$2,100,000	\$6,000,000

Source: Schedule Provided by FDOT in July 10, 2024 Meeting



FAA Reauthorization Act of 2024

The FAA Reauthorization Act of 2024 could provide opportunities for the Airport Authority to fund its strategic initiatives. With the support of the Aircraft Owners and Pilots Association (AOPA), the five-year FAA bill includes a General Aviation (GA) title and provisions that will benefit GA. The provisions include improving pilot privileges, strengthening aviation career opportunities and significant investments in GA airports.



Airport Improvement Program/ GA Airport Funding

Authorizes \$4 billion a year, GA airports will receive \$1 billion of these funds.



Local Share Temporarily Reduced

The local share for federal grants will be reduced from 10% to 5% for FY25 and FY26 for non-hub or nonprimary airports.



Transient Parking Ramps

\$34 million per year added to small airport fund for construction of itinerant/transient general aviation parking.



Aviation Workforce Development

In support of aviation workforce programs for aircraft pilots and aviation maintenance, the Act authorizes grants totaling \$20 million per year for each program.



“AOPA members and the GA community will reap the benefits of this reauthorization for years to come.”

-AOPA President Mark Baker

Budget Report FY24/25

Thank You

Thank you for supporting the financial plan and resource allocation that sustain the operational and developmental needs of our airport, ensuring efficient and sustainable service for our region.



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